



RECEIVED

November 28, 2012

DEC 3 2012

Mr. Jeff DeRouen, Executive Director  
Commonwealth of Kentucky  
Public Service Commission  
P.O. Box 615  
Frankfort, Kentucky 40602-0615

PUBLIC SERVICE  
COMMISSION

Re: Citipower L.L.C. Quarterly Report of Gas Cost Recovery Rate Calculation

Dear Mr. DeRouen:

Please accept the enclosed Citipower, L.L.C. Quarterly Report of Gas Cost Recovery Rate Calculation rates to be effective January 1, 2013 based on the reporting period from July 1, 2012 through September 30, 2012. To the best of my knowledge, this filing is complete and accurate, is in accordance with the requirements of the Commonwealth of Kentucky Public Service Commission.

The Public Service Commission may, as it has in the past, correct the Quarterly Report of Gas Cost Recovery Rate Calculation provided by Citipower, and issue its Order based on its corrected Calculation. If the Commission corrects the enclosed Calculation and issues its Order based on the Commission's corrected calculation, please provide me with a legible copy for future reference.

Sincerely,

John Forsberg  
Controller

**CITIPOWER, LLC**

**QUARTERLY REPORT OF GAS COST  
RECOVERY RATE CALCULATION**

Date Filed:

November 30, 2012

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Date Rated to be Effective:

January 1, 2013

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Reporting Period is Calendar Quarter Ended:

September 2012

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CITIPOWER, LLC

SCHEDULE I

**GAS COST RECOVERY RATE SUMMARY**

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGA)	\$/Mcf	\$4.7736
Refund Adjustment (RA)	\$/Mcf	\$0.0000
Actual Adjustment (AA)	\$/Mcf	(\$0.2421)
Balance Adjustment (BA)	\$/Mcf	\$0.1508
Gas Cost Recovery Rate (GCR)	\$/Mcf	\$4.6823

to be effective for service rendered from January 1, 2013 to March 31, 2013.

**A. EXPECTED GAS COST CALCULATION**

	<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Sch II)	\$/Mcf	\$301,319
/Sales for the 12 months ended September 30, 2012	\$/Mcf	63,122
Expected Gas Cost	\$/Mcf	\$4.7736

**B. REFUND ADJUSTMENT CALCULATION**

	<u>Unit</u>	<u>Amount</u>
Supplier Refund Adjustment for Reporting Period (Sch III)	\$/Mcf	\$0.0000
+Previous Quarter Supplier Refund Adjustment	\$/Mcf	\$0.0000
+Second Previous Quarter Supplier Refund Adjustment	\$/Mcf	\$0.0000
+Third Previous Quarter Supplier Refund Adjustment	\$/Mcf	\$0.0000
=Refund Adjustment (RA)	\$ Mcf	\$0.0000

**C. ACTUAL ADJUSTMENT CALCULATION**

	<u>Unit</u>	<u>Amount</u>
Actual Adjustment for the Reporting Period (Sch IV)	\$/Mcf	(\$0.0029)
+Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.2000)
+Second Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.0338)
+Third Previous Quarter Reported Actual Adjustment	\$/Mcf	(\$0.0054)
=Actual Adjustment (AA)	\$ Mcf	(\$0.2421)

**D. BALANCE ADJUSTMENT CALCULATION**

	<u>Unit</u>	<u>Amount</u>
Balance Adjustment for the Reporting Period (Sch V)	\$/Mcf	\$0.2073
+Previous Quarter Reported Balance Adjustment	\$/Mcf	\$0.0000
+Second Previous Quarter Reported Balance Adjustment	\$/Mcf	(\$0.0822)
+Third Previous Quarter Reported Balance Adjustment	\$/Mcf	\$0.0257
=Balance Adjustment (BA)	\$ Mcf	\$0.1508

**CITIPOWER, LLC**  
**SCHEDULE II**  
**EXPECTED GAS COST**

(1) Supplier	(2) Dth	(3) Btu Conversion Factor	(4) Mcf	(5) Rate	(6) (4) x (5) Cost
Citigas			62,869	\$4.75	\$298,630
Citizens Gas Utility District			253	\$10.63	\$2,689
<b>Totals</b>			<b>63,122</b>		<b>\$301,319</b>
Line loss for 12 months ended <u>9/30/2012</u> is based on purchases of				<u>63,122</u>	
and sales of <u>63,122</u> Mcf.				0.00%	
					<u>Unit</u>
Total Expected Cost of Purchases (6)					\$301,319
/ Mcf Purchases (4)					63,122
= Average Expected Cost Per Mcf Purchased					\$4.7736
x Allowable Mcf Purchases (must not exceed Mcf sales / .95)					63,122
= Total Expected Gas Cost (to Schedule IA)					\$301,319

CITIPOWER, LLC

SCHEDULE IV

ACTUAL ADJUSTMENT

<u>Particulars</u>	<u>Unit</u>	<u>July '12</u>	<u>Aug '12</u>	<u>Sept '12</u>
Total Supply Volumes Purchased	Mcf	1,595	1,972	2,147
Total Cost of Volumes Purchased	\$	\$5,501	\$6,881	\$7,494
/ Total Sales *	Mcf	1,595	1,972	2,147
= Unit Cost of Gas	\$/Mcf	\$3.4491	\$3.4892	\$3.4903
- EGC in Effect for Month	\$/Mcf	\$3.5100	\$3.5100	\$3.5100
= Difference	\$/Mcf	(\$0.0609)	(\$0.0208)	(\$0.0197)
x Actual Sales during Month	Mcf	1,595	1,972	2,147
= Monthly Cost Difference	\$	(\$97)	(\$41)	(\$42)
Total Cost Difference			\$	(\$181)
/ Sales for 12 months ended 9/30/12			Mcf	63,122
= Actual Adjustment for the Reporting Period (to Sch IC)				(\$0.0029)

\* May not be less than 95% of supply volume

CITIPOWER, LLC

SCHEDULE V  
BALANCE ADJUSTMENT

Case No. 2011-00367

Effective Date	12 months Mcf Sales	Factor	Refunded	Balance
Beginning Balance	63,122	(\$0.2314)	(\$14,607)	(\$1,520)

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Under/(Over) Recovery	\$13,087
Mcf Sales for factor	63,122
BA Factor	\$0.2073

Month	Mcf	Citigas		Citizens			Total Cost
		Cost p/mcf	Total	MCF	Cost p/mcf	Total	
Oct-12	4,637	4.75	22,027				22,027
Nov-12	9,352	4.75	44,423				44,423
Dec-12	7,529	4.75	35,762				35,762
Jan-12	9,327	4.75	44,304				44,304
Feb-12	10,978	4.75	52,145				52,145
Mar-12	5,213	4.75	23,560	253	10.63	2,689	26,249
Apr-12	5,207	4.75	24,733				24,733
May-12	3,054	4.75	14,507				14,507
Jun-12	2,112	4.75	10,032				10,032
Jul-12	1,595	4.75	7,574				7,574
Aug-12	1,972	4.75	9,365				9,365
Sep-12	2,147	4.75	10,199				10,199
	<u>63,122</u>		<u>298,630</u>	<u>253</u>		<u>2,689</u>	<u>301,319</u>



# Citigas, LLC

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November 28, 2012

Citipower, LLC  
2122 Enterprise Rd.  
Greensboro, NC 27408

Re: Gas Cost

Your gas cost for January 2013 through March 2013 will be as calculated below:

Purchases From Forexco:

Richardson Barr September 12 NYMEX 12 Month Strip	\$ 3.96
Plus 20% BTU Factor	<u>\$ .79</u>

Total	\$ 4.75
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Purchases From Citizens:

TGP-500L (11/21/12 \$3.67) + \$5.00 + \$1.96 p/mcf	\$10.63
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Sincerely,

Daniel R Forsberg  
President

2122 Enterprise Rd.  
Greensboro, NC 27408  
(336) 379-0800  
(336) 379-0881 Fax



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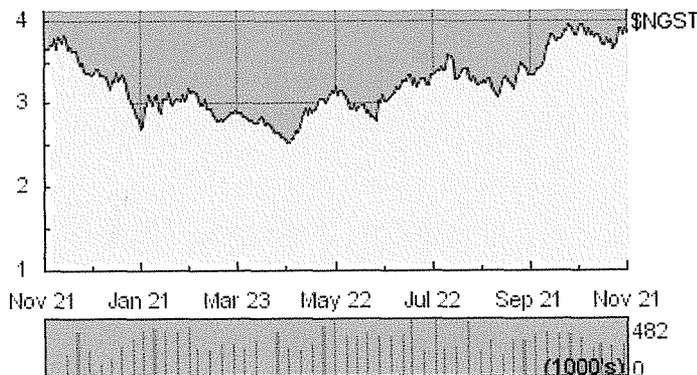
Look under "More Info" for further information. At least 20 min. delay.

**NYMEX NATURAL GAS 12-MO STRIP DECEMBER (NYMEX\_NT: \$NGST)**

More Info: [chart](#) [stock screen](#) [performance screen](#) [news](#)

Last Trade		Change		Trades Today		Day's Volume	
9:59 a.m. -		↓ 0.01 (↓ 0.25%)		12,345		48,222	
<b>3.96</b>							
Beta		Day's Range		Open		52 Wk Range	
NA		3.93 - 3.96		3.95		3.13 - 7.65	
Prev Close		Ex-Div		Yield		Shares Out. Market Cap.	
3.97		NA		NA%		NA 0	
EPS	PE	Div/Shr	Ex-Div	Yield	Shares Out.	Market Cap.	
NA	NA	0.00	NA	NA%	NA	0	

• 1 Year Stock Performance:



TickerTech.com Nov 21, 2012

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DATA DOCUMENTS

Category: Indices Market: ICE Futures U.S. Report: North American Natural Gas

Day Ahead Index  Month Ahead Index

Hub: Tgp-500I

Start Date: 21 Nov 2012 End Date: 21 Nov 2012

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### ICE DAY AHEAD NATURAL GAS PRICE REPORT

HUB	TRADE DATE	BEGIN DATE	END DATE	HIGH	LOW	AVG	CHG	VOL (MMBTU)	# DEALS	# CPARTIES	open methodology
TGP-500L	Nov 21, 2012	Nov 22, 2012	Nov 26, 2012	3 8000	3 5900	3.6725	0241	269,700	59	32	